

Wisconn Valley Small Business Capacity Building

**HOW WISCONSIN CAN HELP YOUR BUSINESS
MAKE THE MOST OF FOXCONN
& WISCONN VALLEY DEVELOPMENT**

AUGUST 15, 2018



FOXCONN BACKGROUND INFORMATION

- Fourth-largest technology company in the world
- Total annual revenue of \$135 billion; net income of \$4.5 billion in 2016
- Ranked No. 27 on the 2017 Fortune magazine Global 500
- Specializes in design, manufacturing and assembly of computer and high-tech consumer electronics products
- Facilities in Asia, Brazil, Europe and Mexico; Wisconsin facility will be its first significant investment in the U.S.



WHAT WILL FOXCONN PRODUCE IN WISCONSIN?

8K + 5G Ecosystem



Advanced Display
for Auto, Medical, TV

Applications
+ Solutions



- Autonomous Cars
- Avionics

- Healthcare
- Smart Factory

- Security
- Entertainment

- Education

Advanced Manufacturing Foundation

- Industrial Internet
- Precision Machining
- Tool & Die

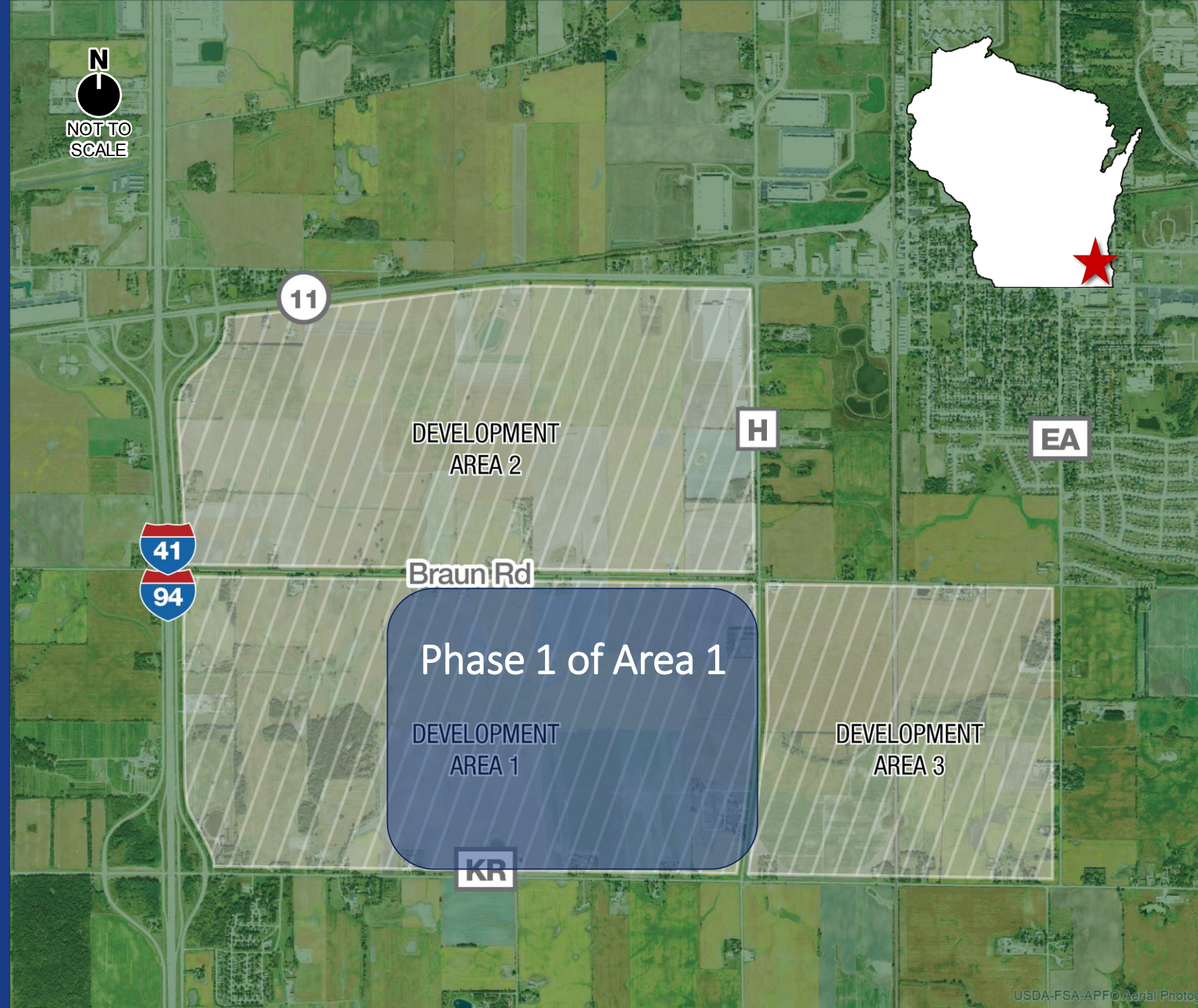


- CAD/CAM
- Robotics & Automation



ABOUT THE PROJECT

- Largest economic development project in Wisconsin history
- 13,000 jobs when campus is complete (avg. salary: \$53,000, plus benefits)
- 10,000 direct construction jobs annually over 4-6 years
- \$10 billion investment
- 18:1 return on investment





An aerial view of Area I, looking southwest, of the Foxconn project taken July 18.

Photo courtesy of Curtis Waltz (aerialscapes.com)



aerialscapes.com

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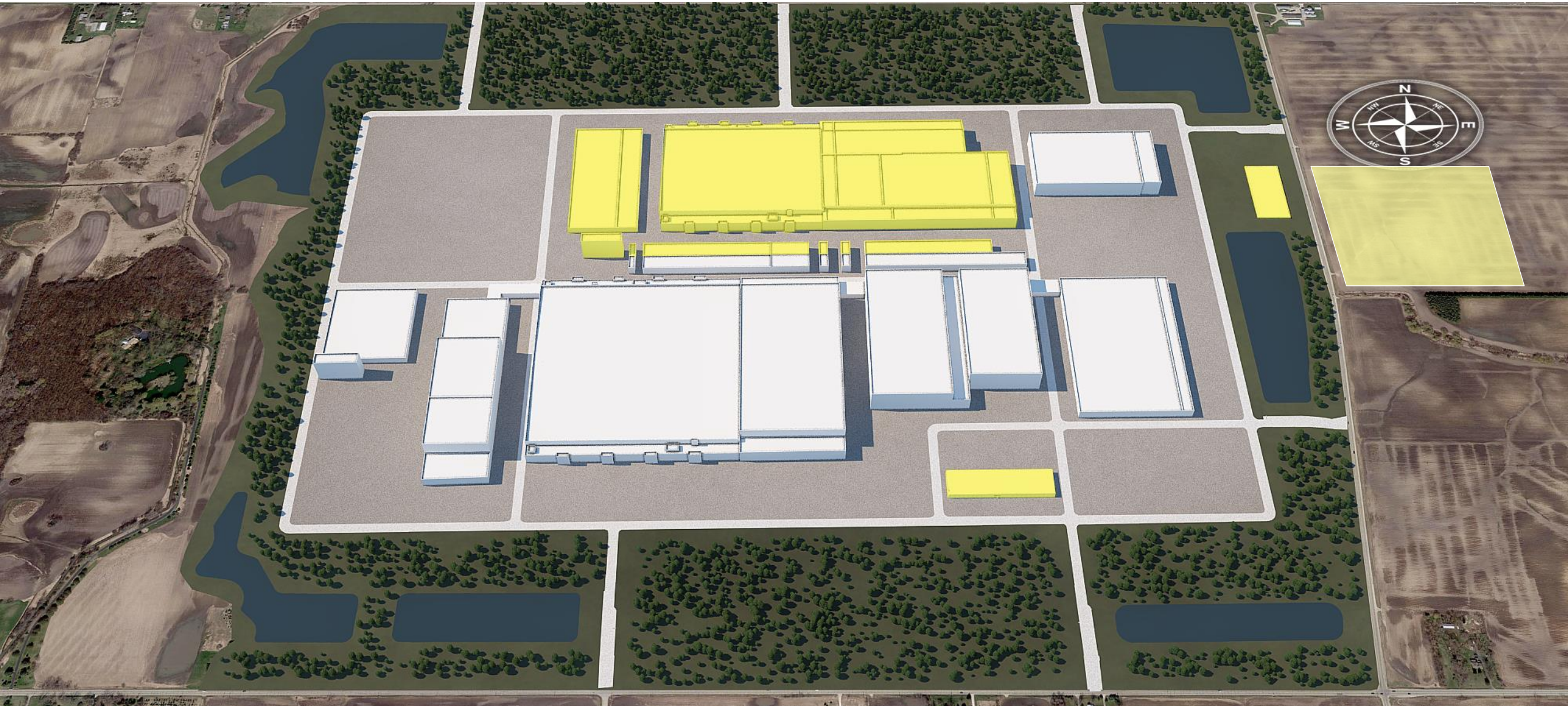
Construction begins on the Multipurpose Building in Phase 1 of Area I of the Wisconsin Valley Science and Technology Park.

Photo courtesy of Curtis Waltz (aerialscapes.com)

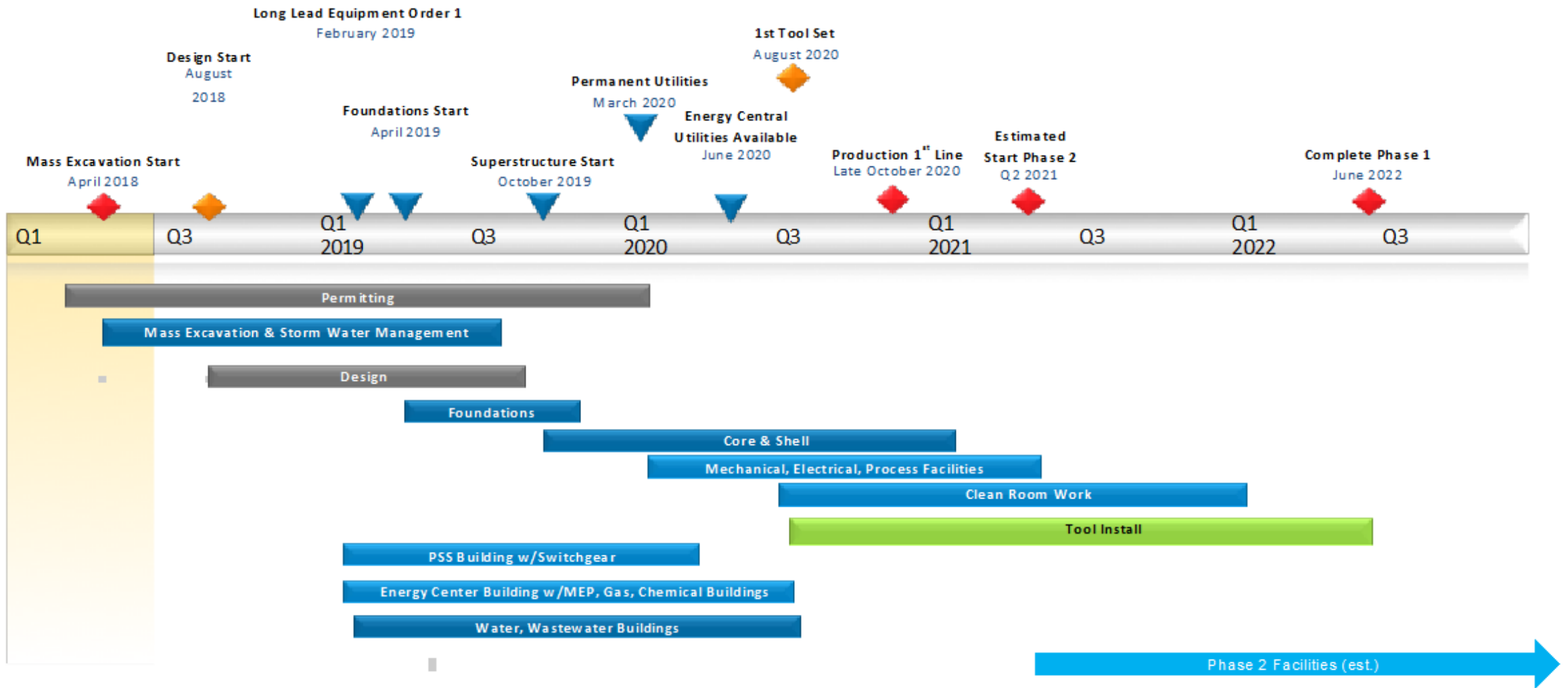


CONSTRUCTION IS UNDERWAY
MANY OPPORTUNITIES FOR WORK

PHASE 1, AREA 1 MASTER PLAN



FABRICATION FACILITIES CONSTRUCTION TIMELINE



FOXCONN, M+W | Gilbane

NEXT BID RELEASES

Bid Release 3: Site Utilities, Roadways, PSS and Logistics

- Site Utilities: Sanitary and Water
- Roadways: Curb and Gutter, Asphalt Paving, Associated Storm Drainage
- Power Substation (PSS): Building and Equipment
- Logistics: Construction Materials Removal and Recycling, Temporary Toilets, Temporary Utilities, Site Security

- Expected: Q3-Q4 2018



FOXCONN, M+W | Gilbane

NEXT BID RELEASES

Bid Release 4: Long Lead Material, Equipment Systems

- Building Substructure & Structure: Rebar, Structural Steel, & Precast
 - Equipment: Switchgear / HV cabling, Emergency Generators, Chillers / Cooling Towers
 - Building Enclosure: Precast, Metal Panels, Aluminum and Glass, Roofing
 - Specialty Systems: Ultra Pure Water, Process Cooling Water, Chilled Water, Hot Water, Waste Water Treatment, Bulk & Specialty Gases / Chemicals, Compressed Air & Dryers
- Expected: Q1-Q2 2019



FOXCONN, M+W | Gilbane

NEXT BID RELEASES

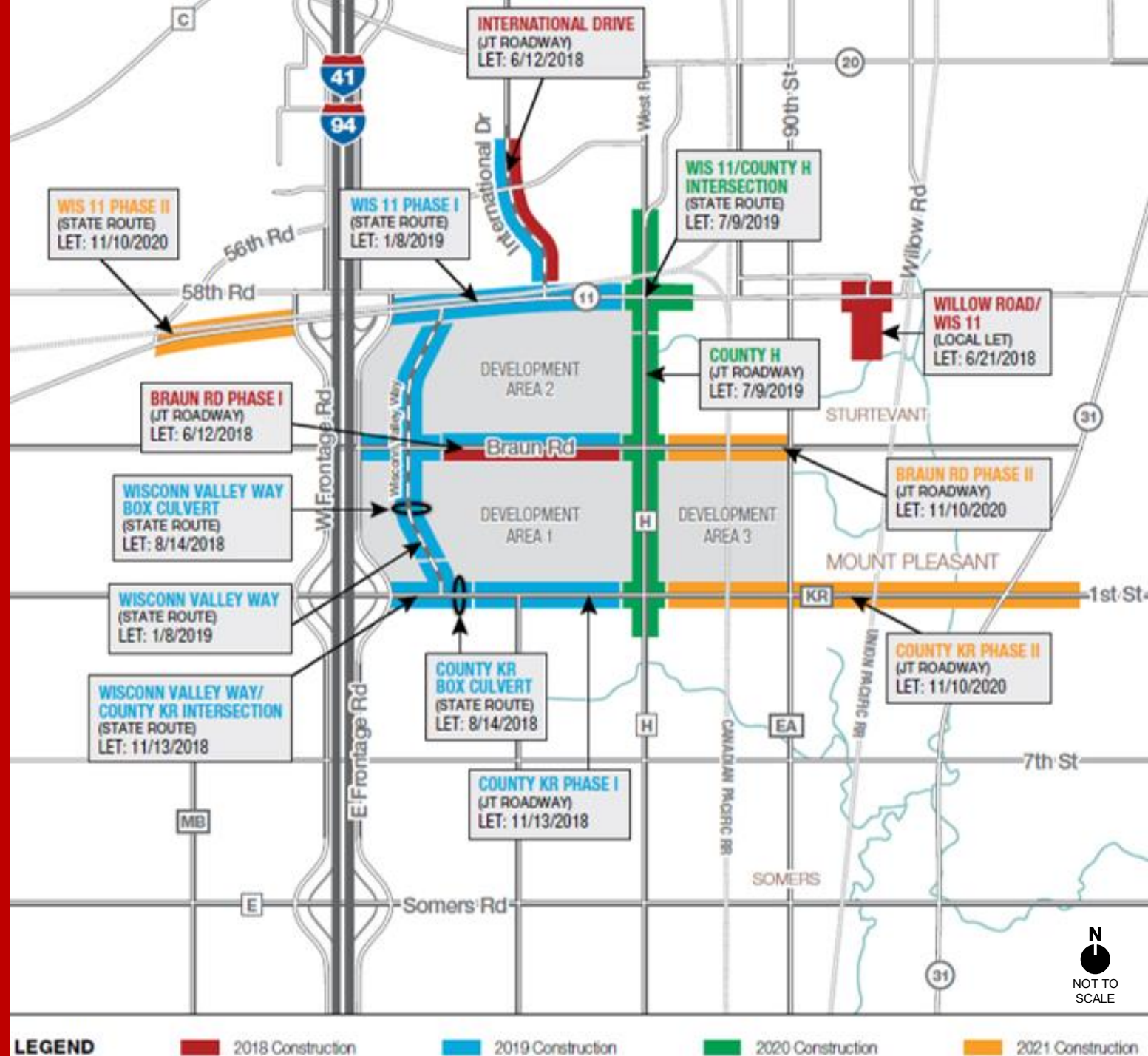
Bid Release 5: Foundations and Underground Distribution

- Building Excavation
 - Building MEP Underground Utilities
 - Building Concrete Foundations
- Expected: Q1-Q2 2019



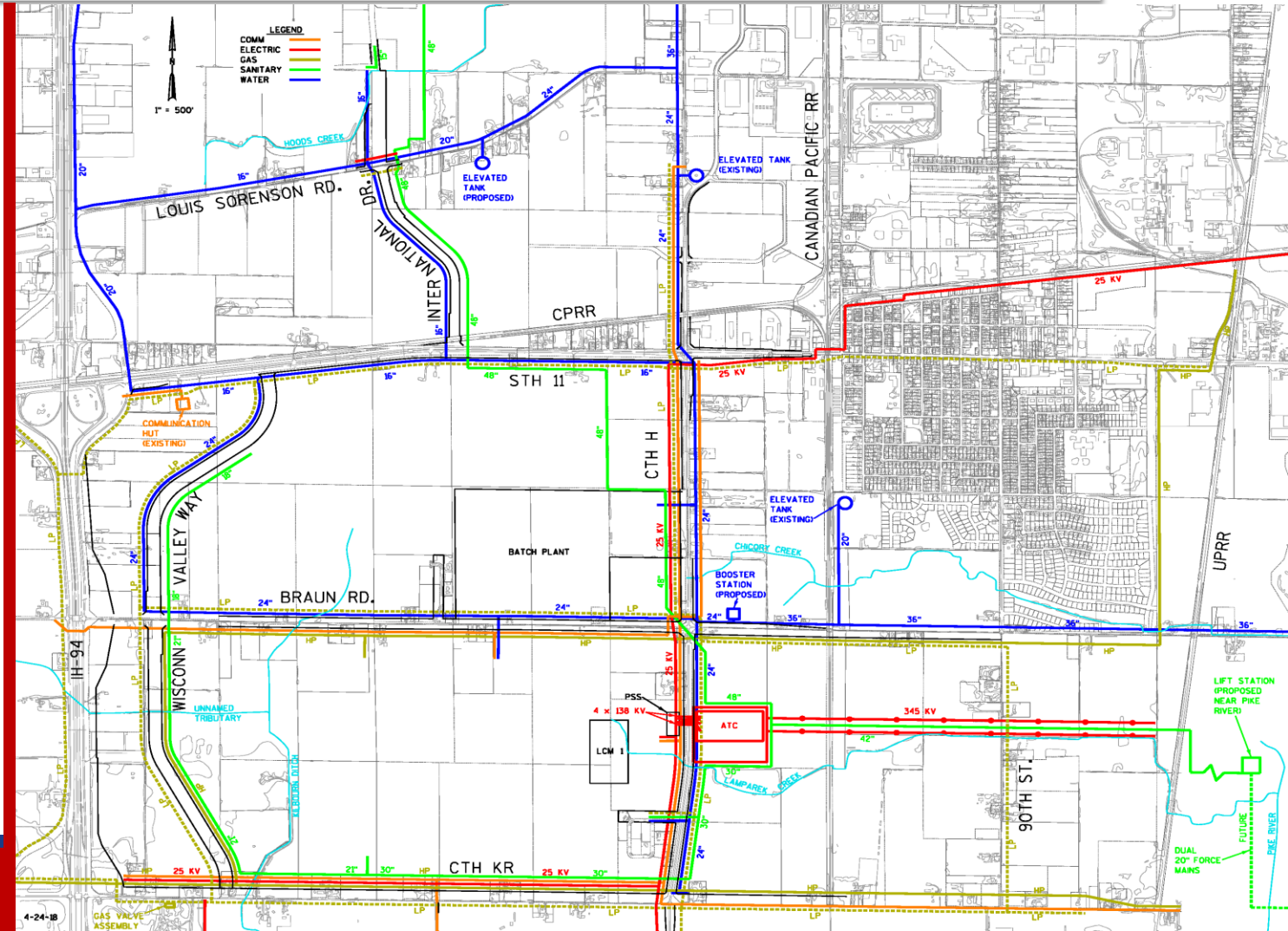
WisDOT LET PACKAGES

- 14 packages
- August 2018 Lets
 - County KR Box Culvert
 - Wisconn Valley Way Box Culvert
- November 2018 Lets
 - County KR
 - County KR/Wisconn Valley Way intersection
- Early 2019 Lets
 - WIS 11
 - Wisconn Valley Way



WATER AND SEWER MAIN LET PACKAGES/BID PROCESS

- Water Main = City of Racine Water Utility
 - Prequalification is required by the City of Racine Water Utility; call **262-636-9432** to request prequal forms
- Sewer Main = Village of Mount Pleasant
 - Registration at: <http://www.mtpleasantwi.gov/DocumentCenter/View/622>
- Pre-bid meetings/matchmaking
- Bids to be submitted with a Utilization Plan for review
- Bids “awarded to the lowest competent and responsible bidder”
 - Wis. Stat. s. 84.06(2)(a)



FUTURE PUBLIC INFRASTRUCTURE WORK

Awarding Entity	Project	Tentative Prebid Meeting Date
Village of Mt. Pleasant	Demolition on Hwy H – Hwy KR to Braun	July 30, 2018
Racine Water Utility	Water Main on 16 th Street	August 30, 2018
Racine Sewer Utility	Sewer Main on Hwy H – Hwy KR to Braun	August 30, 2018
Racine Sewer Utility	Sewer Main on KR – Wisconn Valley Way to Hwy H	September 13, 2018
DOT	Road Construction on Hwy KR – East Frontage Rd. to Hwy H	October 25, 2018
Racine Water Utility	Water Main on Wisconn Valley Way – Hwy 11 to Braun Water Main on Hwy 11 – East Frontage Rd. to International Dr. Water Main on Hwy 11 – International Dr. to Hwy H	October 25, 2018
Racine Water Utility	Water Tank Work on Louis Sorenson Water Tank Work on Spring St. and West Ave.	November 21, 2018
Racine Sewer Utility	Sewer Main along ATC Easement – Hwy H to Pike River	November 21, 2018
Racine Water Utility	Pump Station on Perry Ave.	December 5, 2018

A WISCONSIN FIRST APPROACH

BUSINESS AND WORKFORCE INCLUSION GOALS

- Inclusion Goals for Business Contracting and Workforce Diversity are Identical for Private and Public Infrastructure Construction

Business Contracting and Inclusion Goals

Wisconsin based Businesses	60%
Racine County based Businesses	10%
Minority-Owned (MBE) Business Enterprises	10% Combined
Woman-Owned (WBE) Enterprises	
Veteran-Owned Business Enterprises	

Workforce Inclusion and Diversity Goals

Wisconsin Resident Work Hours with an emphasis on Racine County Residents	70%
Minorities or People of Color*	10% Combined
Women	
Veterans	

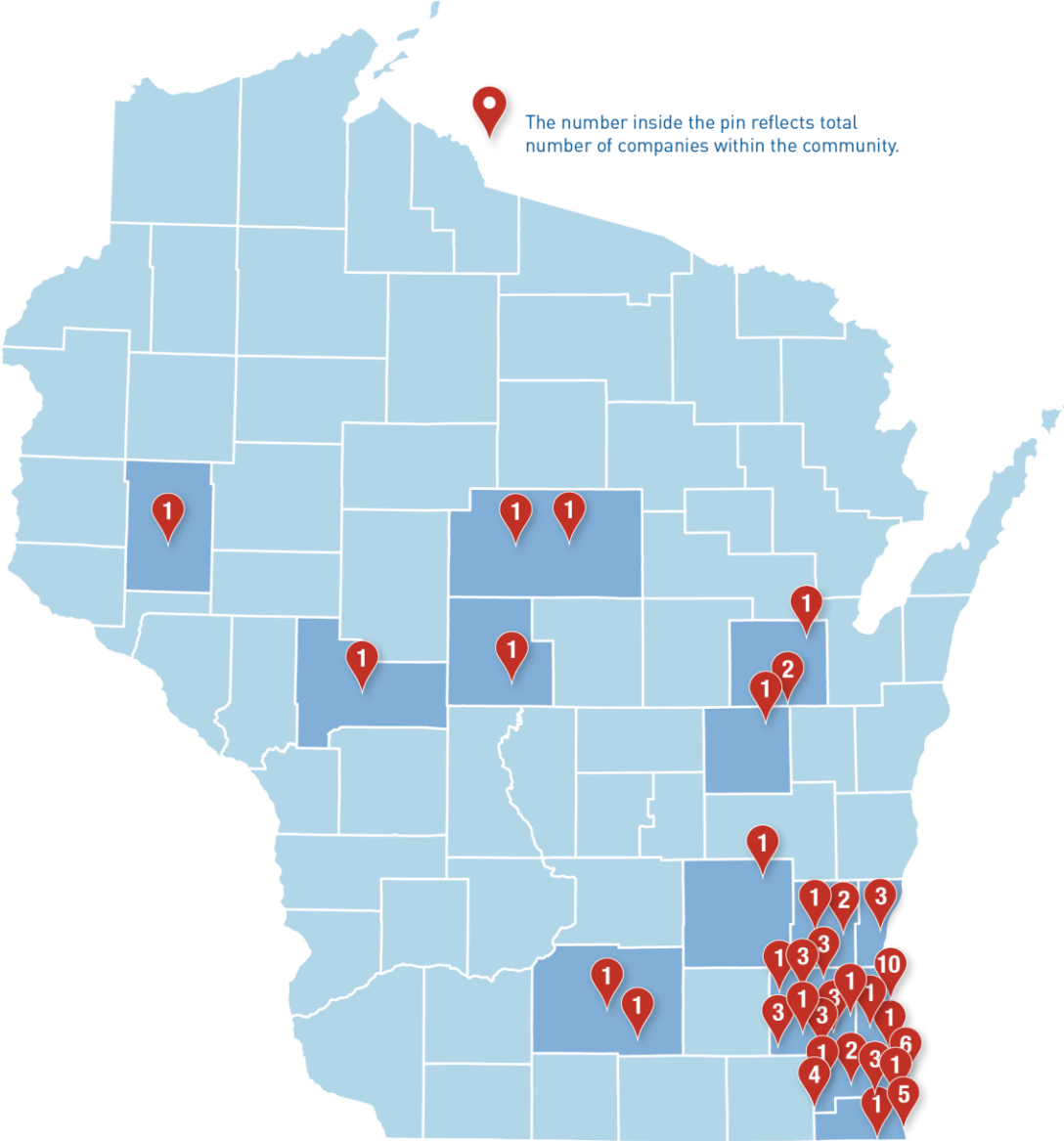
FOXCONN IN WISCONSIN

SCIENCE AND TECHNOLOGY PARK

CONTRACTORS AND SUBCONTRACTORS

DANE	
Madison	1
Stoughton	1
DODGE	
Brownsville	1
DUNN	
Menomonie	1
JACKSON	
Black River Falls	1
KENOSHA	
Kenosha	5
Pleasant Prairie	1
MARATHON	
Marathon	1
Schofield	1
MILWAUKEE	
Franklin	1
Milwaukee	10
Wauwatosa	1
OUTAGAMIE	
Appleton	2
Seymour	1

OZAUKEE	
Mequon	3
RACINE	
Burlington	4
Franksville	2
Mount Pleasant	1
Racine	6
Sturtevant	3
Waterford	1
WASHINGTON	
Richfield	1
Germantown	2
WAUKESHA	
Brookfield	3
Butler	1
Menomonee Falls	3
Muskego	1
New Berlin	3
Pewaukee	1
Sussex	3
Waukesha	3
WINNEBAGO	
Neenah	1
WOOD	
Nekoosa	1



WISCONSIN IMPACT

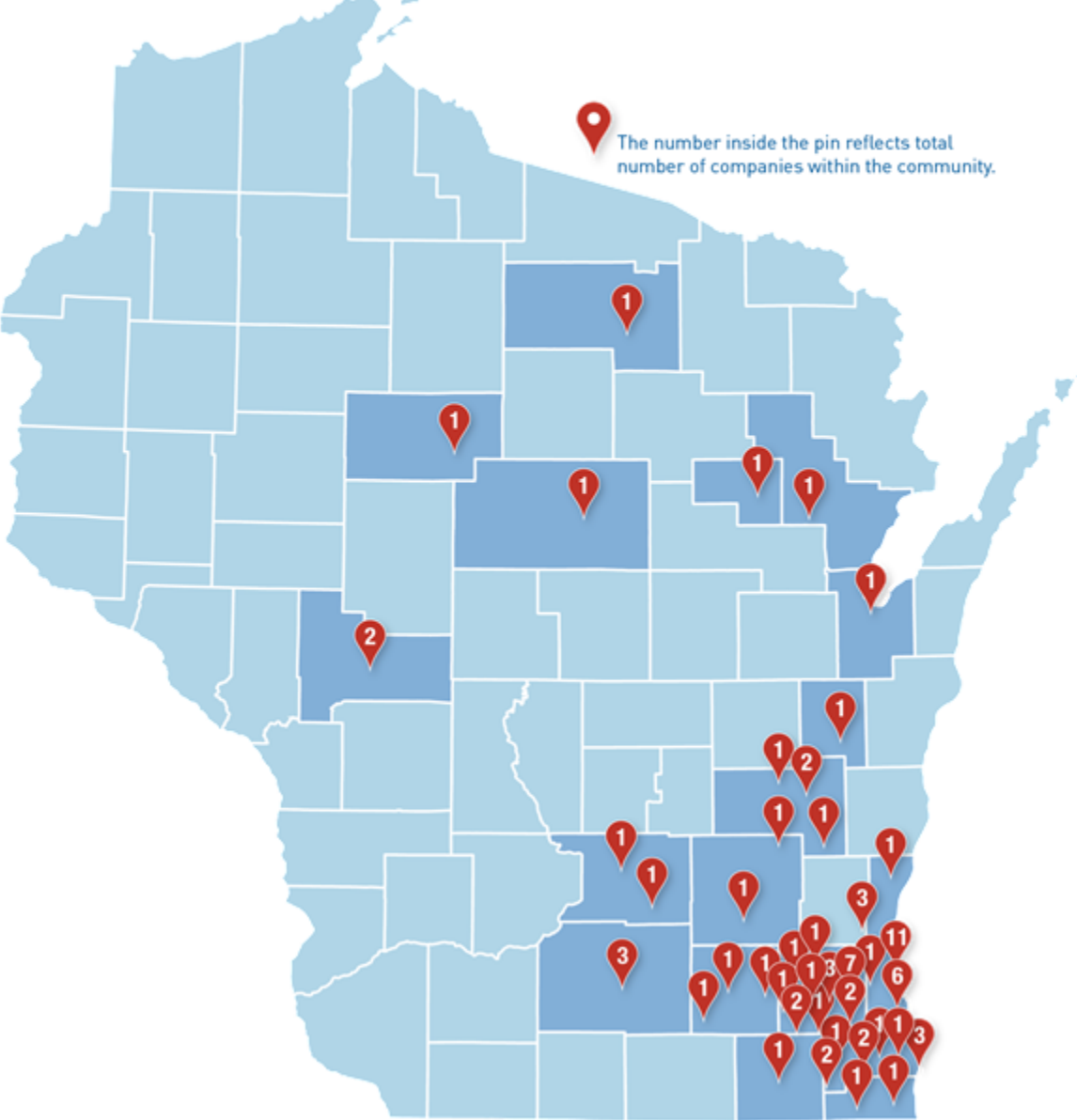
14
COUNTIES
33
COMMUNITIES
98%
CONTRACTS
\$120M
TOTAL VALUE OF CONTRACTS
71
WI COMPANIES

FOXCONN IN WISCONSIN

PUBLIC INFRASTRUCTURE

CONTRACTORS AND SUBCONTRACTORS

BROWN	MILWAUKEE
Green Bay 1	Franklin 1
CALUMET	Milwaukee 11
Chilton 1	Oak Creek 6
COLUMBIA	OCONTO
Portage 1	Gillett 1
Rio 1	ONEIDA
DANE	Rhineland 1
Madison 3	OZAUKEE
DODGE	Cedarburg 1
Brownsville 1	RACINE
Clyman 1	Burlington 2
FOND DU LAC	Franksville 2
Campbellsport 1	Racine 3
Eden 2	Sturtevant 1
Fond du Lac 1	Union Grove 1
JACKSON	Waterford 1
Black River Falls.. 2	TAYLOR
JEFFERSON	Medford 1
Helenville 1	WALWORTH
Sullivan 1	Elkhorn 1
Watertown 1	WAUKESHA
KENOSHA	Big Bend 2
Pleasant Prairie ... 1	Brookfield 1
Salem Lakes 1	Lannon 1
MARATHON	Menomonee Falls.. 3
Schofield 1	Mukwonago 1
MENOMINEE	New Berlin 1
Keshena 1	Oconomowoc 1
	Pewaukee 2
	Sussex 1
	Waukesha 7



WISCONSIN IMPACT

19
COUNTIES

42
COMMUNITIES

92%
CONTRACTS

75
COMPANIES

PRE-BID MEETINGS EQUAL BUSINESS OPPORTUNITY

Attending pre-bid meetings is important to:

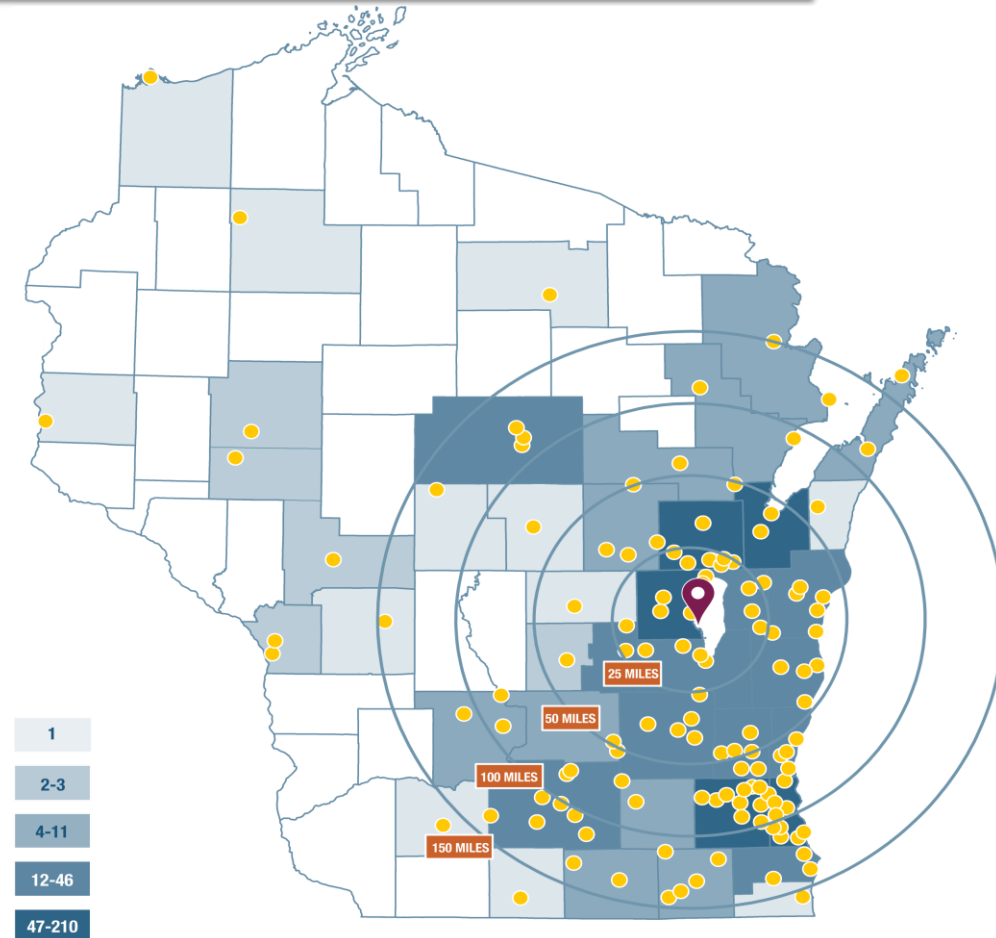
- Connect with key project decision-makers
- Meet potential primes and subcontractors
- Form new relationships that can help maximize Wisconsin First participation
- Access new suppliers

“Eighty percent of success is showing up.” Woody Allen



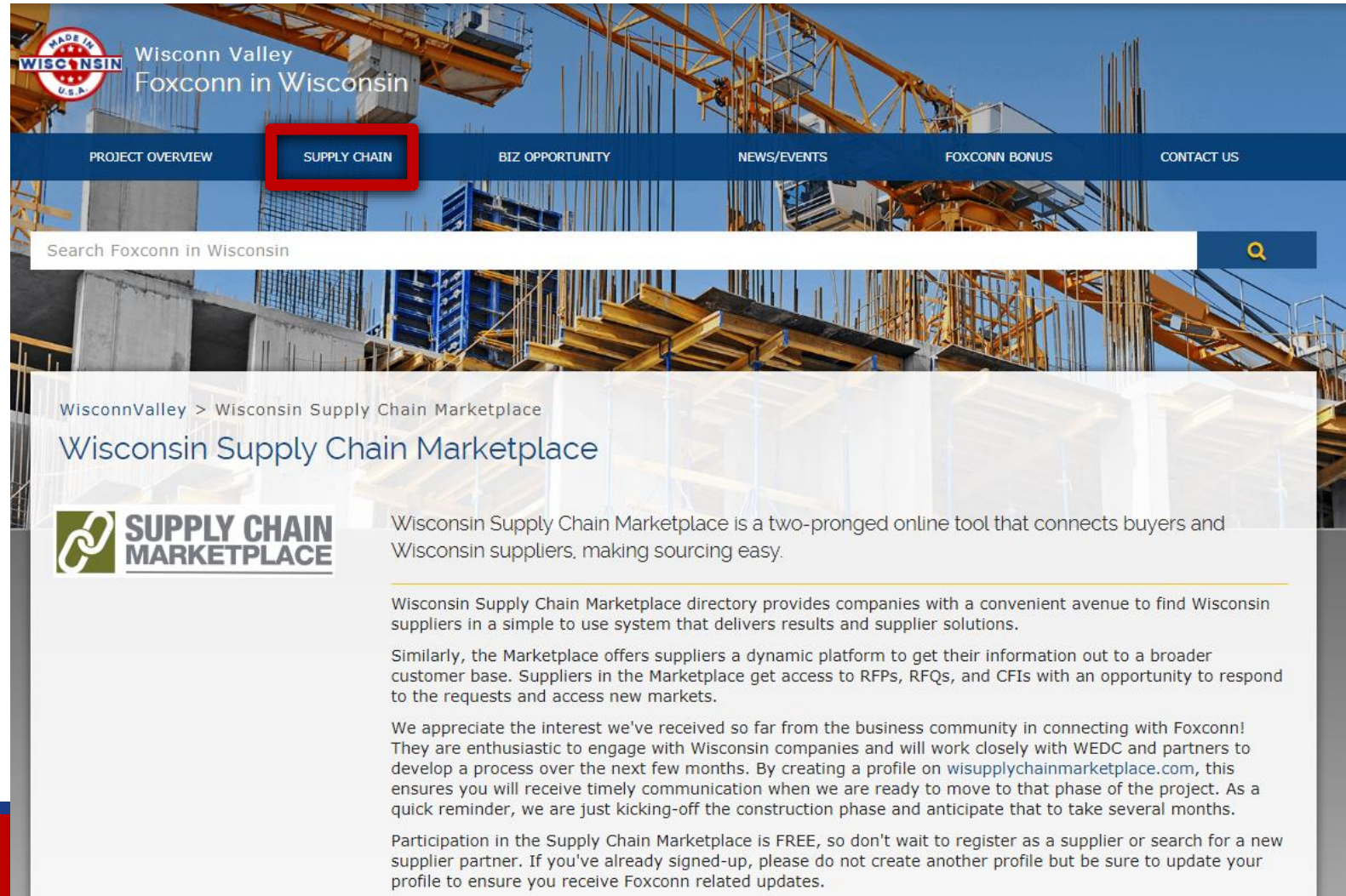
SUPPLY CHAIN UPDATE

- Foxconn intends to spend \$1.4 billion in annual supplier purchases from Wisconsin Companies
- In 2015, Oshkosh Corporation made nearly **\$300 million** in purchases from more than **700 companies** in **140 communities** throughout Wisconsin.




SUPPLY CHAIN MARKETPLACE


- WisconnValley.wi.gov
 - Click Connect Today!
- Online supply chain directory that enables companies to connect with suppliers and buyers
- Free, easy-to-use tool to create profiles, post RFPs, signup for newsletter and alerts
- Search by key industry directories and service categories



FOXCONN IS USING SUPPLY CHAIN MARKETPLACE

- Foxconn Supply Chain sourced from SCM
 - 611 E. Wisconsin
 - Plastic Injection Molding
 - Metal Stamping
- Company evaluation and selection based on Foxconn Scorecard
 - Preferred Certifications
 - ISO-9001
 - ISO/TS 16949 (being replaced by IATF-16949)
 - Supplier Readiness Considerations

 **SUPPLY CHAIN
MARKETPLACE**



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Foxconn RFP for North American Headquarters and Milwaukee Innovation Center

For: Foxconn Technology Group

Expires: 8/20/18

Address:

611 E. Wisconsin Ave.
Milwaukee, Wisconsin 53201
United States

Phone: **(414) 287-2600**
Email: smueller@gilbaneco.com

Intro:

Foxconn Request for Proposals-RFP for architects & engineers to provide design services to modernize & enhance its No. American corporate headquarters in downtown Milwaukee

Details:

Foxconn Technology Group (Foxconn) announced today it has issued a Request for Proposal (RFP) for architects and engineers to provide design services to modernize and enhance its North American corporate headquarters at 611 E. Wisconsin Ave. in Downtown Milwaukee. The seven-story 611 building is approximately 145,000 square feet, sits on two acres and was purchased by Foxconn from Northwestern Mutual Life Insurance Co. in June. About 500 personnel will work from the facility. Dr. Yeung said that Wisconsin architectural and

GET INVOLVED

WISCONN VALLEY NEWS

Information regarding project status, road updates, next steps, interesting facts and bid opportunity alerts delivered to your inbox!

<https://wisconnvalley.wi.gov/newsletter>

M+W | GILBANE

Receive notifications for construction opportunities and progress highlights.

<https://Foxconn-construction.gilbaneco.com>

PUBLIC INFRASTRUCTURE

Get email notifications when public infrastructure bids are advertised.

[https://wisconnvalley.wi.gov/Pages/public construction info signup.aspx](https://wisconnvalley.wi.gov/Pages/public%20construction%20info%20signup.aspx)

SUPPLY CHAIN MARKETPLACE

Plug into the online supply chain directory that enables companies to connect with suppliers and buyers and post RFPs.

<http://www.wisupplychainmarketplace.com>

Financing Your Business to Fulfill Your Wisconsin Valley Contracts



Introduction to WHEDA & LRC

WHEDA

- Created 45 years ago
- Independent Authority established by the State of Wisconsin
- WHEDA's mission is to stimulate the state's economy and improve the quality of life for Wisconsin residents by providing affordable housing and business financing products.

LRC

- Established in 2003
- Community Development Financial Institution (CDFI)
- Revolving Loan Fund
- Commercial/Small Business Lender



Access to Capital

Why are WHEDA and LRC here?

- Survey results indicated that access to capital was one of the barriers to taking advantage of construction growth in the state was access to capital.
- The State of Wisconsin and WHEDA responded by creating the updated Contractors Loan Guarantee.
- Legacy Redevelopment Corporation is working with the City of Milwaukee's Revolving Loan Fund to make funds available for Sub-Contractors.



WHEDA's Contractors Loan Guarantee

\$10,000,000 Guarantee Commitment

Guarantee the lesser of 50% of the Loan Amount or \$750,000.00

Quick Turn Around – approval decisions in a week

Eligibility Requirements:

- Business must employ 250 or fewer full-time equivalent employees at time of application
- Business must have been in operation for at least 12 months
- Business must be located in Wisconsin
- Project will create or retain jobs
- Business must be awarded a contract, subcontract, or purchase order from one of the following*:
 - Local government agency
 - State or Federal agency
 - Business with gross annual sales of at least \$5 million



LRC – Sub-Contractor Gap Financing

A Revolving Line of Credit (LOC) to be used for working capital on approved development projects

Loan is secured by “pre-approved” forecasted developer fees that will be paid out throughout the project

- Loan will be repaid with funds directly from the GC to LRC per the contractual obligation signed by the subcontractor per the written disbursement of funds from the project to the GC



LRC – Sub-Contractor Gap Financing

LOC will be interest only payments w/ principal reductions as established in the contract between GC & Sub

- LOC must pay down to a zero balance and rested for a minimum of 30 days prior to the maturity of the LOC

LOC term is not to exceed twelve (12) months



LRC – Sub-Contractor Gap Financing

Maximum Loan Amount -\$200K

Loan amount will be based on the business's ability to repay the debt

Guarantor(s) strength

Collateral pledged

- Approved contract on the subject project(s) -mandatory
- Other tangible collateral
 - Equipment, Inventory, Real Estate
 - WHEDA's Contractors Loan Guarantee



The Importance of Having Access to Capital – Introduction to Scenarios

So you want to win a new, larger contract:

- How will you pay for new equipment, inventory, or supplies?
- How will you pay for your new employees?

Lending institutions can loan you capital for all of these items so that you can fulfil your contract terms.



Scenario One

Company - X has just received a contract to pour concrete footings for a building. This contract is for \$450,000. The business's net income last year was \$60,000. The business will need additional money for wages and raw material.

Source	Dollar Amount	Use	Dollar Amount
Business Cash	\$60,000	Concrete	\$200,000
Loan	\$290,000	Rebar	\$50,000
		Wages	\$100,000
Total	\$350,000	Total	\$350,000
Guarantee Amount	\$175,000		
Contract Value	\$450,000	Gross Profit*	\$100,000



*Profit does not take into account interest payments, taxes, etc.

Scenario Two

Company Y has just won a contract to supply security services to several construction sites. This contract will provide monthly income for this service. In order to fulfil the contract Company Y will need new vehicles and some new equipment. The vehicle and equipment must be purchased prior to being able to perform services for the contract and also being able to invoice for the contract.

Source	Dollar Amount	Use	Dollar Amount
Business Cash	\$50,000	Vehicle	\$150,000
Loan	\$150,000	Equipment	\$50,000
Total	\$200,000	Total	\$200,000
Guarantee Amount	\$100,000		
Contract Value	\$250,000	Gross Profit*	\$50,000



*Profit does not take into account interest payments, taxes, etc.

How Does a Guarantee Help My Business?

A guarantee either increase your likelihood to obtain a loan

-Or-

A guarantee can allow the financial institution to improve your terms



Who Has the Money?

Banks

Credit Unions

Community Development Financial Institutions (CDFI)

Revolving Loan Funds

- Chambers
- Counties
- Cities/Towns/Villages
- Associations



What Information Do You Need To Get a Loan

Business Plan

Projections

Personal Financial Statement

Balance Sheet

Profit and Loss Statement

Tax Returns

- Personal
- Business

Contract (If applicable)

What if you don't have these? Who can help?



Need Help Putting Together Financials and/or a Business Plan?

Wisconsin Small Business Development Center

- UW - Milwaukee
- Waukesha County Center for Growth
- UW – Parkside
- 11 more location statewide
- <http://wisconsinsbdc.com/locations>

Community Development Financial Institution(s)

- Many entities statewide which can assist



WHEDA Contractors Loan Guarantee Process

Company works with their lender to apply for financing

Company wins a contract, subcontract, or purchase order

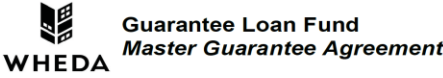
The lender starts underwriting your loan and reviews the company's eligibility

The Lender Submits a Master Agreement, Eligibility Checklist, and **ACH Form** to WHEDA

File is reviewed and if approved lender gets commitment and can issue their guaranteed loan



What Does the Lender Have to Fill Out?



THIS MASTER GUARANTEE AGREEMENT (the "Agreement") is made and entered into as of _____, 20____, by and between Wisconsin Housing and Economic Development Authority (the "Authority"), a public body corporate and politic of the State of Wisconsin, and the "Lender" whose name and address is:

Lender Name _____

Type of Financial Institution

☐ Bank ☐ Credit Union ☐ Savings Bank

☐ Savings and Loan ☐ Economic Development Corp ☐ Other _____

Street Address _____ Zip Code _____

PO Box _____ Zip Code _____

City _____ State _____ County _____

Contact Person _____

Telephone Number _____

Fax Number _____

WHEDA Lender Number (to be assigned by WHEDA) _____

RECITALS

- a. The Authority is authorized to establish and administer business loan guarantee programs which are collectively referred to as the Guarantee Loan Funds (the "Funds").
- b. The Authority describes the Funds, including the requirements which must be met for a loan to qualify for the Authority's guarantee, in its Business Loan Guarantee Manual, as amended, supplemented and replaced from time to time by the Authority (the "Lender's Manual").
- c. Lender wishes to make and the Authority wishes to guarantee loans which qualify for the Funds in accordance with the statutes and with the terms and conditions set forth in this Agreement and in the Lender's Manual.

NOW, THEREFORE, in consideration of the mutual benefits, promises and covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and Lender agree as follows:

WHEDA Eligibility Checklist for Delegated Underwriting Contractors Loan Guarantee Program

TO BE COMPLETED BY THE LENDER

LEGAL NAME OF BORROWER _____

NAME OF BUSINESS _____

TYPE OF BUSINESS _____

TAX ID# _____

BUSINESS ADDRESS _____

CITY, STATE, COUNTY _____

CONTACT PERSON & PHONE # _____

PROJECT COUNTY _____

DESCRIPTION OF PROJECT _____

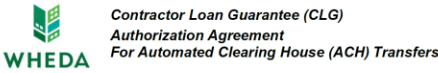
The WHEDA Contractors Loan Guarantee is intended to assist in the development/expansion of small businesses by providing the opportunity to enter into contracts with eligible organizations. To participate in WHEDA's Contractors Loan Guarantee Program, the business and contract must meet statutory requirements. Please complete this checklist following the instructions for each section.

The lender must also complete Form 1: Master Guarantee Agreement and Form 2A: ACH Agreement found on wheda.com under "Developers & Property Managers" → "Forms, Manuals & Resources" → "Business Guarantee Forms"

I. Business Eligibility

Place a check in each box confirming the business meets the following (each box must be checked to qualify):

- ☐ The business is unable to obtain conventional financing at reasonable terms.
- ☐ The business employs 250 or fewer full time equivalents (FTE) at the time of application.
- ☐ The business has been in operation for at least 12 months.
- ☐ The business is located in Wisconsin.
- ☐ The business owner(s) is(are) current in child support payments and not in default on any WHEDA loans.
- ☐ The project will create or maintain jobs.
- ☐ The project is not involved in the any of the following:
- Direct production of agricultural commodities
 - Adult Entertainment



LENDER NAME _____ LENDER # _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

CONTACT PERSON _____ PHONE # (____) _____

We hereby authorize the Wisconsin Housing and Economic Development Authority (WHEDA) to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries in error to our account indicated below and the depository names below, hereinafter called DEPOSITORY, to credit and/or debit the same to such account.

☐ New Agreement ☐ Revised Agreement

Funds will be transferred to:

Depository Name _____

City, State, Zip Code _____

Transit/ABA Number _____

Account Number _____

Type of Account ☐ Checking ☐ Savings

This authority is to remain in full force and effect until WHEDA has received written notification from us of its termination in such time and in such manner as to afford WHEDA and DEPOSITORY a reasonable opportunity to act on it.

Dated as of _____, 20____.

Signature _____ Signature _____

Print Name and Title _____ Print Name and Title _____

Send to:
WHEDA - LENDING COMMERCIAL
PO BOX 1728
MADISON WI 53701-1728



LRC's Sub-Contractors Gap Financing Process

Company works with LRC's Lending Dept. to apply for financing (submit all required documents)

Company wins a contract, subcontract, or purchase order

The LRC starts underwriting your loan/reviews company's eligibility and submits loan proposal for approval

LRC provides a commitment letter and schedules loan closing



What If My Business Is Growing But Doesn't Have a New Contract?

WHEDA

- We have several additional loan guarantee products
 - Small Business Guarantee
 - Transform Milwaukee Guarantee

Legacy

- *LRC offers a variety of Loan Products
 - Pre-Development Loans
 - Real Estate Loans:
 - Rehab projects
 - Small Business Loans
 - SBA (Small Business Administration)

* Call for inquiry



Any Questions Contact Us:

WHEDA

- Contact a Business and Community Engagement Officer
- Milwaukee
 - -Maria Watts – maria.watts@wheda.com – (414)-750-4454

LRC

- Contact LRC's Chief Lending Officer
 - Terese Caro – tcaro@lrcmke.com or (414) 343.3091 (direct #)



Staffing & Marketing Your Business



Why Certify Your Business?

Benefits to Certification:

- Counted towards Wisconsin First inclusion goal
- Eligible for 5% bid preference on state purchases
- Technical and marketing assistance
- Eligible to be listed in the State of Wisconsin's Directory of Minority, Woman, and Disabled Veteran-Owned Businesses
- Also eligible for a low-bid waiver on state projects as long as their bid is no higher than 5 percent of the lowest qualified responsible bidder.



Who Qualifies for Small & Disadvantaged Business Certification?

Eligibility Criteria

Annual Gross Receipts of the business are less than \$23.98 million

Applicant must prove:

- 51% Ownership of Business
- Personal Net Worth is less than \$1.32 million
- Operational & Managerial Control
- Technical Competence in Work Area



What Information May Be Needed?

- Current business financial statements (profit and loss statement and balance sheet).
- Leases and other Third-Party Agreement(s), such as working arrangements with other firms, supplier/distributorship agreements, rental leases, etc.
- Three samples of evidence of revenue for firm, such as completed-signed contracts, receipts, invoices, etc.



What Information May Be Needed?

- Proof of ethnicity, permanent residency or citizenship for the majority owner (e.g., Birth Certificates, Green Cards, Tribal Memberships, etc.)
- Current bank signature cards for business account(s) including Depository and Borrowing Resolutions.
- Business Tax Returns for the past 3 years.
- List of major capital assets, such as property, office/facilities, equipment, vehicles, etc.



What Information May Be Needed?

- Relevant license and permits.
- Resumes/biographies outlining business experience.
- Assumed name documents (d/b/a or a/k/a).
- **(Vet only)** U.S. Department of Defense Form DD 214 (Certificate of Release or Discharge from Active Duty) to prove service in the Armed Forces.
- **(DVB only)** Department of Veteran Affairs or discharge paper from the branch of armed service, stating service connected disability rating under 38 USC 1114 or 1134 of at least 20%.
- *Additional documentation may be required depending on the business structure (Partnerships, Corporations and LLCs, Joint Ventures, etc.)*



How Can You Apply?

Applicants are encouraged to review the [Pre-Certification Self-Assessment](#) to determine whether they meet the eligibility requirements for WBE/MBE/DVB certification **prior** to completing the online application.

Complete an online application and upload the required documentation.

- The online application can be found at: <https://wisdp.wi.gov/>.
- Review all online instructions carefully.
- Documents can also be uploaded to this secure site.
- Pay the required fee (\$150 certification fee required for WBE/DVB)



How Can You Apply?

Review Process (after application submitted)

- Application review by certification consultant
- On-site visit and interview of key personnel by state Certification Consultant

Certification process generally takes 4-6 weeks after all the certification materials have been received



Which Wisconsin Agencies Certify?

Wisconsin DOT - Office of Business Opportunity
& Equity Compliance

Phone: (608) 266-8216

Email: DBE_Alert@dot.wi.gov

DBE Certifications Only

Wisconsin and Non-Wisconsin firms

City of Madison - Civil Rights Affirmative Action
Division

Phone: (608) 266-4910

TTY: (609) 266-4083 TTY

<http://www.cityofmadison.com/dcr/>

DBE Certifications Only

Wisconsin Firms Only

Dane County - Office of Equity and Inclusion

Phone: (608) 283-1391

<https://oei-exec.countyofdane.com/>

DBE and ACDBE Certifications

Wisconsin Firms Only

Milwaukee County - Community Business
Development Partners

*Milwaukee County will only accept online
Applications*

[Click here for Online application](#)

DBE Program Administrators

Phone: (414) 278-4747

[CBDP Site Info](#)

DBE and ACDBE Certifications

Wisconsin and Non-Wisconsin firms

Wisconsin Department of Administration -

Supplier Diversity Program

Phone: (608) 267-9550

Email:

WiSDPWebApplication@Wisconsin.gov

<https://wisdp.wi.gov/>



Who Else Can Help?

Other Certifiers

- [Women's Business Enterprise National Council \(WBENC\)](#)
- [Wisconsin Minority Supplier Development Council](#)
- [City of Milwaukee](#)
- [City of Madison](#)
- [Unified Certification Program \(UCP\)](#)
- [Small Business Administration \(SBA\)](#)
- [Milwaukee Metropolitan Sewerage District \(MMSD\)](#)
- [State of Wisconsin Veteran-Owned Business](#)

Business Resources:

- [Minority Chambers & Associations](#)
- The [Wisconsin Procurement Institute \(WPI\)](#) provides the help that is necessary for businesses to succeed in winning federal contracts.
- [Small Business Development Center \(SBDC\)](#)



How Can I Find Job Candidates?



- Register with JobCenterofWisconsin.com
- Sign up to participate in career fairs(e.g., Wisconsin Career Expo)
- Connect with local Workforce Development Board
- 27,500 recently unemployed
- 23,000 currently incarcerated
- 400,000 veterans living in Wisconsin
- Thousands of youth & young adults graduating annually



How Can I Finance Training?

Effective July 1, 2017 there are two ongoing GPAs benefitting Small Business Occupations and All Sectors (Standard WFF Grants).

The GPAs will remain open throughout the fiscal year, and OSD will release approximately \$2 million each quarter for grant awards.

Criteria for both Standard WFF Grant opportunities outlined below:

Worker Training Grants for All Sectors	Worker Training Grants for Small Business Occupations
Company size: any	Company size: 50 full-time employees or fewer
Award amount: \$5,000 to \$400,000	Award amount: \$5,000 to \$50,000
Match: \$1:\$1 (\$1 applicant / \$1 WFF)	Match: \$.50:\$1 (\$.50 applicant / \$1 WFF)



Introducing Wisconsin Fast Forward

- Grants are reimbursements
- Will train and employ (or retain) Wisconsin workers;
- Proposed training has not been previously offered by the Applicant/consortium;
- Training must be customized to address a documented business need;
- Must include one or more Wisconsin employers who commit to hire or retain the trainees who complete training;
- Funds may not be used for the purchase of real estate or other capital assets/equipment, facility construction or remodeling, K–12 education, tuition or trainee wages, stipends or fringe benefits;
- Training must be 12 months or less;
- Funding cannot replace existing federal, state or local government funding.



When Are Grants Available?

Standard Wisconsin Fast Forward Grants will remain open throughout the year with "Intent to Award" announcements anticipated to occur within 60 days of the end of each quarter as outlined below

Submission Date	Intent to Award on or Before
January 1 - March 31	May 31
April 1 - June 30	August 30
July 1 - September 30	November 30
October 1 - December 31	February 28

Applicants are encouraged to apply early in each quarter. Up to the final two weeks of each review quarter, grant specialists are available for questions and technical assistance at WisconsinFastForward@dwd.wisconsin.gov.



How Can You Apply?

Unless the GPA indicates otherwise (i.e. form, RFP), **Standard Wisconsin Fast Forward (WFF) grant applications must be submitted through the online WFF Application System.**

Prospective applicants can access the online application, along with the application instructions, informational webinars, related guidelines, and checklists at:

http://wisconsinfastforward.com/wff_standard.htm



Who Can Help You?

For general program inquiries, questions from prospective or current applicants, and during your grant evaluation and award process, use this email:

WisconsinFastForward@dwd.wisconsin.gov

Director:

Rita Atkinson Rita.Atkinson@dwd.wisconsin.gov 608.266.2721

John Roos John.Roos@dwd.wisconsin.gov 608.266.5536

Therese Schmidt ThereseM.Schmidt@dwd.wisconsin.gov
608.267.3803

Andy Heidt Andrew.Heidt@dwd.wisconsin.gov 608.266.0174

Tegan McGillivray TeganS2.McGillivray@dwd.wisconsin.gov
608.267.7248



Work Opportunity Tax Credit Benefits

- WOTC reduces an employer's cost of doing business, requires little paperwork, and applying for WOTC is simple.
- WOTC can reduce an employer's federal income tax liability by as much as ***\$9,600 per employee hired***.
- There is no limit on the number of individuals an employer can hire to qualify to claim the tax credit.



Work Opportunity Tax Credit

WOTC Target Groups:

- Families Receiving TANF
- Veterans
- Disabled Veterans
- Unemployed Veterans
- Ex-Felons
- Vocational Rehabilitation Referral
- Food Stamp Recipients
- Supplemental Security Income (SSI) Recipients
- Long-Term Family Assistance (LTFA)



How Much Can You Save?

Employers generally can earn a tax credit equal to 25% or 40% of a new employee's first-year wages, based on the target group to which the employee belongs.

Employers will earn 25% if the employee works at least 120 hours (but less than 400 hours) and 40% if the employee works at least 400 hours.



Maximum Credit Amounts

WOTC Target Groups (Non-Veteran):	Worked at least 120 hours but less than 400 hours	Worked at least 400 hours
Short-Term TANF Recipients	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
Long-Term TANF Recipients	N/A	Up to \$9,000 (over 2 years) (40% of \$10,000 first-year wages and 50% of \$10,000 wages)
SNAP (food stamp) Recipients	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
Designated Community Resident	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
Vocational Rehabilitation Referral	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
Ex-Felon	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)



Work Opportunity Tax Credit

Veteran Target Group	Worked at least 120 hours but less than 400 hours	Worked at least 400 hours
Receives SNAP (food stamps) benefits	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
Entitled to Compensation for Service-Connected Disability:		
Hired 1 year after leaving service	Up to \$3,000 (25% of \$12,000 of first-year wages)	Up to \$4,800 (40% of \$12,000 of first-year wages)
Unemployed at least 6 months	Up to \$6,000 (25% of \$24,000 of first-year wages)	Up to \$9,600 (40% of \$24,000 of first-year wages)
Unemployed:		
At least 4 weeks	Up to \$1,500 (25% of \$6,000 of first-year wages)	Up to \$2,400 (40% of \$6,000 of first-year wages)
At least 6 months	Up to \$3,500 (25% of \$14,000 of first-year wages)	Up to \$5,600 (40% of \$14,000 of first-year wages)



Scenario One

X – Company hires an individual convicted of a felony 8 months after the individual was released from prison. X – Company paid the individual \$4,000 in qualified first-year wages for 320 hours of work performed. X – Company WOTC for the year with respect to this individual's wages is \$1,000 ($\$4,000 \times 0.25 = \$1,000$).

Qualified first-year wages:	\$4,000
Hours work:	$120 \geq 400$
WOTC Target Group	25%
WOTC Credit for X – Company	\$1,000



Scenario Two

Y – Company hires an individual who is a member of a family that received TANF benefits for 9 months during the 18 month period prior to being hired. Y – Company paid the individual \$6,000 in qualified first-year wages for 415 hours of work performed. Y – Company WOTC for the year with respect to this individual's wages is \$2,400 ($\$6,000 \times .40 = \$2,400$).

Qualified first-year wages:	\$6,000
Hours work:	≥ 400
WOTC Target Group	40%
WOTC Credit for Y – Company	\$2,400



How Can You Apply?

Complete BOTH SIDES of [IRS Form 8850](#) (Pre-Screening Notice and Certification Request for the Work Opportunity Credit)

- The job applicant should complete the front side, and the employer or representative must complete the back side of the form on or before the job offer date.

Note: This document must be uploaded in the [eWOTC](https://webapps.dwd.state.wi.us/ewotc/) (<https://webapps.dwd.state.wi.us/ewotc/>) system or mailed to the WOTC Office at the DWD address below within **28 days of the job start date** or the application will be denied (no exceptions).

8850 Form (Rev. March 2015) Department of the Treasury Internal Revenue Service	Pre-Screening Notice and Certification Request for the Work Opportunity Credit OMB No. 1545-1500 Information about Form 8850 and its separate instructions is at www.irs.gov/form8850 .
Job applicant: Fill in the lines below and check any boxes that apply. Complete only this side.	
Your name _____	Social security number ► _____
Street address where you live _____	
City or town, state, and ZIP code _____	
County _____	Telephone number _____
If you are under age 40, enter your date of birth (month, day, year) _____	
1 <input type="checkbox"/> Check here if you received a conditional certification from the state workforce agency (SWA) or a participating local agency for the work opportunity credit.	
2 <input type="checkbox"/> Check here if any of the following statements apply to you. <ul style="list-style-type: none">I am a member of a family that has received assistance from Temporary Assistance for Needy Families (TANF) for any 9 months during the past 18 months.I am a veteran and a member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits (food stamps) for at least a 3-month period during the past 15 months.I was referred here by a rehabilitation agency approved by the state, an employment network under the Ticket to Work program, or the Department of Veterans Affairs.I am at least age 18 but not age 40 or older and I am a member of a family that:<ul style="list-style-type: none">a. Received SNAP benefits (food stamps) for the past 6 months; orb. Received SNAP benefits (food stamps) for at least 3 of the past 5 months, but is no longer eligible to receive them.During the past year, I was convicted of a felony or released from prison for a felony.I received supplemental security income (SSI) benefits for any month ending during the past 60 days.I am a veteran and I was unemployed for a period or periods totaling at least 4 weeks but less than 6 months during the past year.	
3 <input type="checkbox"/> Check here if you are a veteran and you were unemployed for a period or periods totaling at least 6 months during the past year.	
4 <input type="checkbox"/> Check here if you are a veteran entitled to compensation for a service-connected disability and you were discharged or released from active duty in the U.S. Armed Forces during the past year.	
5 <input type="checkbox"/> Check here if you are a veteran entitled to compensation for a service-connected disability and you were unemployed for a period or periods totaling at least 6 months during the past year.	
6 <input type="checkbox"/> Check here if you are a member of a family that: <ul style="list-style-type: none">Received TANF payments for at least the past 18 months; orReceived TANF payments for any 18 months beginning after August 5, 1997, and the earliest 18-month period beginning after August 5, 1997, ended during the past 2 years; orStopped being eligible for TANF payments during the past 2 years because federal or state law limited the maximum time those payments could be made.	
7 <input type="checkbox"/> Check here if you are in a period of unemployment that is at least 27 consecutive weeks and for all or part of that period you received unemployment compensation.	
Signature—All Applicants Must Sign _____	
Under penalties of perjury, I declare that I gave the above information to the employer on or before the day I was offered a job, and it is, to the best of my knowledge, true, correct, and complete.	
Job applicant's signature ► _____	Date _____
For Privacy Act and Paperwork Reduction Act Notice, see page 2.	
Cal. No. 22851L	Form 8850 (Rev. 3-2015)

How Can You Apply?

Complete one of the following USDOL forms, as appropriate:

- a) ETA Form 9061 (Individual Characteristics Form) and attach required supporting documentation, if the new hire has not been given a conditional certification (see item b); or,
- b) ETA Form 9062 (Conditional Certification Form) if completed and provided to the job seeker by a participating agency, such as Job Center staff (no documentation required)

1. Control No. (For Agency use only)		2. Date Received (For Agency Use only)
APPLICANT INFORMATION (See instructions on reverse)		
EMPLOYER INFORMATION		
3. Employer Name	4. Employer Address and Telephone	5. Employer Federal ID Number (EIN)
APPLICANT INFORMATION		
6. Applicant Name (Last, First, MI)	7. Social Security Number	8. Have you worked for this employer before? Yes ___ No ___ If YES, enter last date of employment: _____
APPLICANT CHARACTERISTICS FOR WOTC TARGET GROUP CERTIFICATION		
9. Employment Start Date	10. Starting Wage	11. Position
12. Are you at least age 16, but under age 40? Yes ___ No ___ If YES, enter your date of birth: _____		
13. Are you a Veteran of the U.S. Armed Forces? Yes ___ No ___ If NO, go to Box 14. If YES, are you a member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits (Food Stamps) for at least 3 months during the 15 months before you were hired? Yes ___ No ___ If YES, enter name of primary recipient _____ and city and state where benefits were received: _____ OR, are you a veteran entitled to compensation for a service-connected disability? Yes ___ No ___ If YES, were you discharged or released from active duty within a year before you were hired? Yes ___ No ___ OR, were you unemployed for a combined period of at least 6 months (whether or not consecutive) during the year before you were hired? Yes ___ No ___		
14. Are you a member of a family that received Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamps) benefits for the 6 months before you were hired? Yes ___ No ___ OR, received SNAP benefits for at least a 3-month period within the last 5 months But you are no longer receiving them? Yes ___ No ___ If YES to either question, enter name of primary recipient _____ and city and state where benefits were received: _____		
15. Were you referred to an employer by a Vocational Rehabilitation Agency approved by a State? Yes ___ No ___ OR, by an Employment Network under the Ticket to Work Program? Yes ___ No ___ OR, by the Department of Veterans Affairs? Yes ___ No ___		
16. Are you a member of a family that received TANF assistance for at least the last 18 months		



How Can You Apply?

Submit the completed and signed original forms, with required documentation, in the online [eWOTC](https://webapps.dwd.state.wi.us/ewotc/) (<https://webapps.dwd.state.wi.us/ewotc/>) system or mailed to:

*Department of Workforce Development (DWD)
Federal Tax Credits, Rm. G100
201 E. Washington Ave., PO Box 7972
Madison WI 53707-7972*



How Can You Claim Your Credit?

Employers may file for the WOTC tax credit by submitting the Tax Credit Certification (issued by DWD's Tax Credit Unit) and [IRS Form 5884](#) when they fill out their annual Business Federal Income Tax Forms.

Form 5884 (Rev. December 2016) Department of the Treasury Internal Revenue Service Name(s) shown on return		Work Opportunity Credit ▶ Attach to your tax return. ▶ Information about Form 5884 and its separate instructions is at www.irs.gov/form5884 .		OMB No. 1545-0219 Attachment Sequence No. 77
		Identifying number		
1	Enter on the applicable line below the total qualified first- or second-year wages paid or incurred during the tax year, and multiply by the percentage shown, for services of employees who are certified as members of a targeted group.			
a	Qualified first-year wages of employees who worked for you at least 120 hours but fewer than 400 hours . . . \$ × 25% (0.25)	1a		
b	Qualified first-year wages of employees who worked for you at least 400 hours \$ × 40% (0.40)	1b		
c	Qualified second-year wages of employees certified as long-term family assistance recipients \$ × 50% (0.50)	1c		
2	Add lines 1a, 1b, and 1c. See instructions for the adjustment you must make to salaries and wages	2		
3	Work opportunity credit from partnerships, S corporations, cooperatives, estates, and trusts (see instructions)	3		
4	Add lines 2 and 3. Cooperatives, estates, and trusts, go to line 5. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, Part III, line 4b	4		
5	Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions)	5		
6	Cooperatives, estates, and trusts, subtract line 5 from line 4. Report this amount on Form 3800, Part III, line 4b	6		

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 13570D Form **5884** (Rev. 12-2016)



Who Can Help You?

- Credits are applied to an employer's federal taxes due.
- WOTC tax credits rules are the same as general business credits. Employers can carry forward unused tax credits for up to twenty (20) years & back one (1) year.
- For more information visit DWD's WOTC website:
<https://dwd.wisconsin.gov/jobservice/taxcredit/wotc.htm> or USDOL:
<https://www.doleta.gov/business/incentives/opptax/>

Contact:

Jody Thomas, WOTC Program Coordinator
Wisconsin Department of Workforce Development
Phone: 608-266-1903
Email: Jody.Thomas@dwd.wisconsin.gov



Questions

If you have a question, please pass it to our staff.

